

Dear Valued Client,

You may be aware of regulatory expectations that the industry cease the use of Interbank Offered Rates (**IBORs**) ahead of such rates being discontinued or their calculation methodology substantially changed, as early as the end of 2021. In accordance with guidance published by our regulators, central banks and other supervisory authorities, we are arranging for our Current Accounts to transition away from IBORs as reference rates and onto suitable alternative reference rates before this happens. We are making the change across our Current Accounts and our client portfolio. This will apply to Current Accounts: (1) offered in USD, GBP, CHF and JPY that use a London Interbank Offered Rate (**LIBOR**) as the reference rate; and (2) offered in EUR that use LIBOR or the Euro Overnight Index Average (**EONIA**) as the reference rate.

On reviewing the Current Account Services we provide you, we recognise that you may be affected by this process, so as a valued client, we are writing to notify you of upcoming changes relating to deposits on EUR, USD, GBP, CHF and JPY accounts.

**ALTERNATIVE REFERENCE RATE**

On 1 October 2021 all references in our general terms and conditions (such as the Corporate list of Conditions and Commercial Banking List of Conditions) to O/N (overnight) LIBOR applicable to balances on current accounts denominated in the below currencies will be replaced by references to the below risk free rates (RFR).

Account currency	New RFR benchmark
EUR	€STR
CHF	SARON
	SCRON
USD	SOFR
	FFE
GBP	SONIA
JPY	TONAR

Further, in order to minimise changes to the cost of our services, and to properly reflect the mechanics of the alternative reference rates, we will introduce an adjustment spread to account for the expected differences between O/N LIBOR for each of the above currencies and the RFR rate for such currency. The adjustment spread will apply in conjunction with the RFR and we will add it to the margin that we currently apply on our products – including where we apply different margins to different balance tiers.

We will notify you in due course in more detail about documentation changes reflecting the above.

## **FREQUENTLY ASKED QUESTIONS**

We understand that you may have questions about the IBOR transition process. A full list of FAQs and our responses can be found at <https://www.citibank.com/tts/docs/Citi-TTS-Libor-FAQ.pdf>. We will update our FAQs from time to time with important information about the LIBOR transition, so we recommend that you consult these periodically.

However, please do not hesitate to contact us if you have any questions pertaining to this announcement.

Yours faithfully,

**Citibank Europe plc.**

Other than as expressly set out in this letter or otherwise agreed in writing between you and Citi, Citi makes no representation, warranty or assurance, and does not owe you any duty, nor have any liability to you, in relation to any IBOR reform-related developments, nor is Citi able to advise you in relation to any IBOR reform-related developments or in relation to individual products/services that might be impacted. We encourage you to keep up to date with IBOR reform developments, and to consider their impact on you, using independent professional advisors (financial, tax, accounting, legal or other) as you consider necessary. This letter is not intended to be, and should not be relied upon, as financial, tax, accounting, legal or other advice.

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